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FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/06

SPONSOR Moore LAST UPDATED _____ HB 566

SHORT TITLE High Plains Educational Cooperative Services SB _____

ANALYST Hoffmann

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$500.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Bill 450 and House Bill 432.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Public School Facilities Authority (PSFA)

SUMMARY

Synopsis of Bill

House Bill 566 appropriates \$500,000 from the general fund to the High Plains Regional Educational Cooperative to support rural schools in creating long-range facility plans and long-range energy reduction plans and integrating state adequacy standards with individual community needs.

FISCAL IMPLICATIONS

The appropriation of \$500,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

SIGNIFICANT ISSUES

This proposal was not included in either the Executive budget request or the LFC's budget recommendations.

House Bill 432 and Senate Bill 450 (duplicate bills) both include a funding process to assist school districts in developing their five-year facilities plans.

The Public School Capital Outlay Oversight Task Force states that they heard testimony from a few rural districts that they needed assistance with development of preventive maintenance plans and five-year facilities plans in order to be eligible for grants funds under the new standards-based capital outlay process.

PERFORMANCE IMPLICATIONS

According to the Public Education Department, House Bill 566 relates to the work of the PED's Rural Education Division through the rural education/community revitalization initiative to focus on schools as the catalyst for increased community/parent involvement in educational programs and for the economic growth within the communities they serve.

ADMINISTRATIVE IMPLICATIONS

The Public Education Department will have to administer and flow the funds

The Public Schools Facilities Authority notes that there is no formula in House Bill 566 regarding how the High Plains Educational Cooperative will prioritize and distribute funding to member districts. The PSFA states that member districts would normally contribute funding for a joint project such as this.

RELATIONSHIP

House Bill relates to Senate Bill 450 and its duplicate, House Bill 432. Both of these bills require all school districts to have submitted a five-year facilities plan which includes enrollment projections, a current preventative maintenance plan. Both of these bills also include a funding process to assist school districts in developing their five-year facilities plans.

OTHER SUBSTANTIVE ISSUES

House Bill 566 appropriates funds to defray the High Plains Educational Cooperative's school districts' costs associated with the development of five-year facilities plans. The High Plains Regional Educational Cooperative is based in Raton. It includes the Cimarron, Clayton, Des Moines, Maxwell, Mosquero, Raton, Roy, and Springer Municipal Schools.

CH/yr